FORM NO. 51-4A SEPT. 1948

25X1A2g/ Approved For Release 2000/06/08 : CIA-RDP82-00457R0023000 CENTRAL INTELLIGENCE AGENCY REPORT NO

## INFORMATION REPORT

CD NO.

COUNTRY

Afghanistan

DATE DISTR. 27 Jan 1949

SUBJECT

Black Market Dollar Exchange

NO. OF PAGES 1

25X1X6

PLACE ACQUIRED

> STATE ARMY

**X** FBI

NO. OF ENCLS. (LISTED BELOW)

25X1A2g

DATE OF IN 25X1X6

SUPPLEMENT TO REPORT NO.

GRADING OF SOURCE

- The recent rise in the black market rate for American dollars in "abul is primarily due to the heavy demand on them by a group of about twenty private merchants. Some six months ago, these merchants ordered various types of textiles from Russia. The orders were handled through the local trade agent, and payment for the goods was to be made in dollars. Final payments are nearly due, and in competing for dollars, the merchants have forced the present rise. The total amount of dollars needed was \$1,000,000. The local American residents cannot supply this amount, and the merchants have bought dollars from the Shircats, government sponsored organizations that sell Afghan goods abroad and who therefore have dollar credits in foreign banks.
- 2. In the case of checks bought from Americans here, endorsement is made by the merchants to the Russian trade agency in Kabul. The money bought from the Shircats is transferred from the Shircat account in the United States to the Russian trade agency account in the United States.
- The present black market rate for dollar checks or currency is 30 to 31 3. afghanis to the dollar compared to the legal rate of 14 to the dollar. This is the highest it has ever been.

